

Emails from Adrienne Vaughan, Senior Manager, External Communications, Interac Corp.

Regarding Anne Hoover and Sylvia Veith:

Thanks so much for your patience as we have been investigating both of these situations that you have brought forward to us.

Unfortunately, we are unable to speak to the specifics of these particular cases due to customer privacy. The bank holds the relationship with the customer and any questions related [sic] a customer's case should be directed to them. Any decision to recover funds on behalf of the sender or receiver is made by their financial institution based on their knowledge of the situation.

What we can tell you from our investigation is that during the time of the transactions our Interac e-Transfer network was functioning normally.

While the Interac e-Transfer service is protected with multiple layers of security, making it one of the most secure money transfer services globally, it really should be considered as an alternative to cash or cheque.

When you send money using Interac e-Transfer, your money never actually travels by email or text message - only notifications and deposit instructions do. The sender's financial institution and the recipient's financial institution transfer your funds using established and secure banking procedures. In the instance where a transfer is deposited by an unintended recipient, for example as a result of a compromised email or device, customers should notify their bank immediately.

Customers should always be vigilant when they are transacting online. It's much more than making sure you don't have malware on your device. It is also using strong passwords, never sharing your passwords, ensuring your email is protected and hasn't been compromised, being cautious not to click on any phishing links, and ensuring that you are only transacting with trusted websites, vendors and people.

Regarding two-factor authentication and why it isn't mandatory for every e-transfer?

Interac e-Transfer uses two-step authentication. First, to receive an e-Transfer, you need to sign into your online banking with your username and password, Touch ID or Face ID. Then you need to provide an answer to a security question that only you and the sender know.

Interac e-Transfer Autodeposit is another way to pre-authenticate by registering your email address or phone number to a specific bank account, so the sender knows who is receiving the funds prior to sending. Upon deposit, the sender receives a confirmation of successful delivery

within minutes. This pre-registration eliminates the need for a security question and answer in every transaction.

It is also important that Canadians protect their email and passwords so they do not fall victim to cybercrime and they can safely transact online.

Multi-factor authentication exists when a customer moves money online: through online banking authentication, through email authentication, and through *Interac* e-Transfer as mentioned previously.